

**Measures**[Transportation Contribution to Gross State Product](#)[Transportation Sector Employment](#)[Freight Shipped Through the Port of Virginia](#)[Port of VA's Share of East Coast Market](#)[Enplanements at Air Carrier Airports](#)[Small, Women and Minority Owned Businesses \(SWaM\)](#)[Performance Summary](#)[Print Section](#)**Goal: Economic Vitality****Provide a transportation system that supports economic prosperity****Grade = C**

Despite a strong economic history and business friendly environment, Virginia, like the rest of the country, struggled in 2008. The recession, which, according to the National Bureau of Economic Research, began in December 2007, has been called the worst economic downturn since the Great Depression. It has taken its toll on the Commonwealth and its transportation system, and its effects are sure to linger for years to come.

However, Virginia has had a vibrant and growing economy - ranked 11th in the nation in 2008 - due in large part to the Commonwealth's extensive network of highways, airports, ports, bus and rail facilities. The transportation network has attracted businesses and people, provides access to markets, reduces the cost of doing business, creates new business opportunities, and increases individual and business productivity.

Performance Measures

- Value of the Transportation Sector's Contribution to Gross State Product (real dollar valuation)
- Number of Workers Employed by Virginia's Transportation Sector
- Volume of Freight Shipped Through the Port of Virginia in Twenty-Foot Equivalent Units (TEUs)
- Port of Virginia Share of Volume (in TEUs) Shipped Through East Coast Ports
- Number of Enplanements at Virginia's Air Carrier Airports
- Percentage of Transportation Discretionary Expenditures on Small, Women and Minority Businesses

Performance Highlights

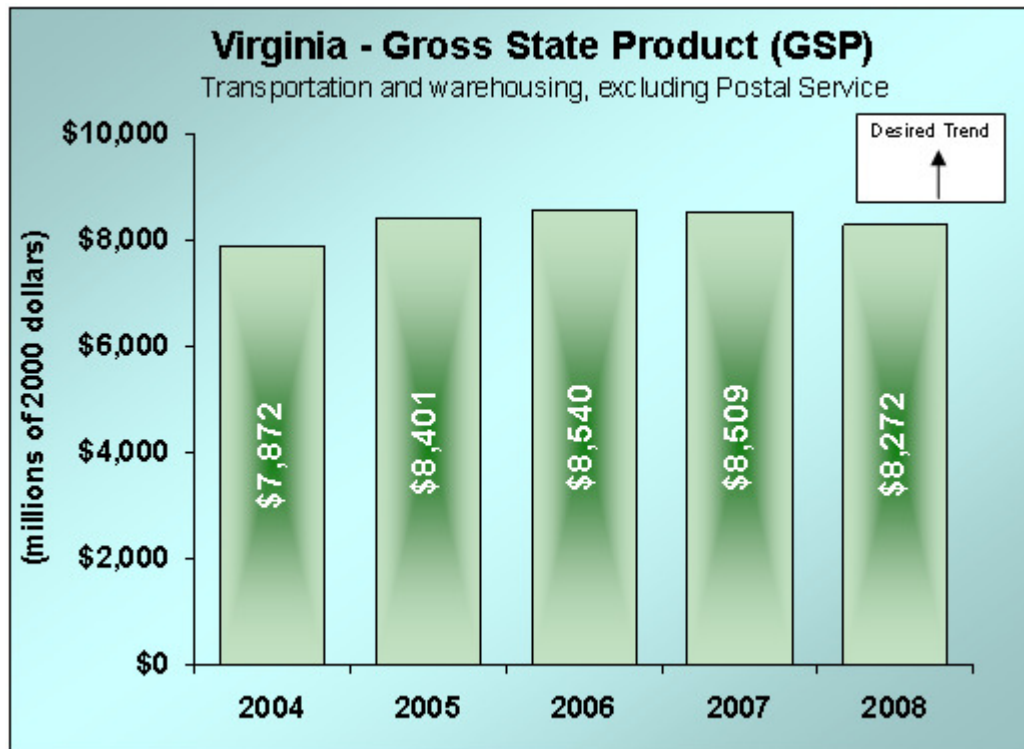
- Virginia's transportation sector contributed \$8.3 billion to Gross State Product, a decrease from \$8.5 billion
- Virginia's transportation sector employment decreased from 137,000 in 2007 to 136,000 in 2008
- Shipments through the Port of Virginia decreased from 2.13 million TEUs in 2007 to 2.08 million in 2008
- The Port of Virginia's market share of East Coast TEUs held steady at about 16%
- The number of enplanements decreased by 4% to about 24.5 million
- \$643.3 million, representing 40.1% of the \$1.640 billion in discretionary expenditures done by state transportation agencies, was with Small, Women- and Minority-Owned Businesses (SWaM)

Strategies

- Increase TEU capacity at terminals
- Reduce terminal dwell time for containers
- Meet or exceed technology implementation project schedules
- Increase percentage of freight tonnage handled by rail
- Require prime contractors to submit SWaM contracting plans
- Implement small business set-aside solicitations
- Require and implement SWaM training programs

Transportation Sector Economic Contribution

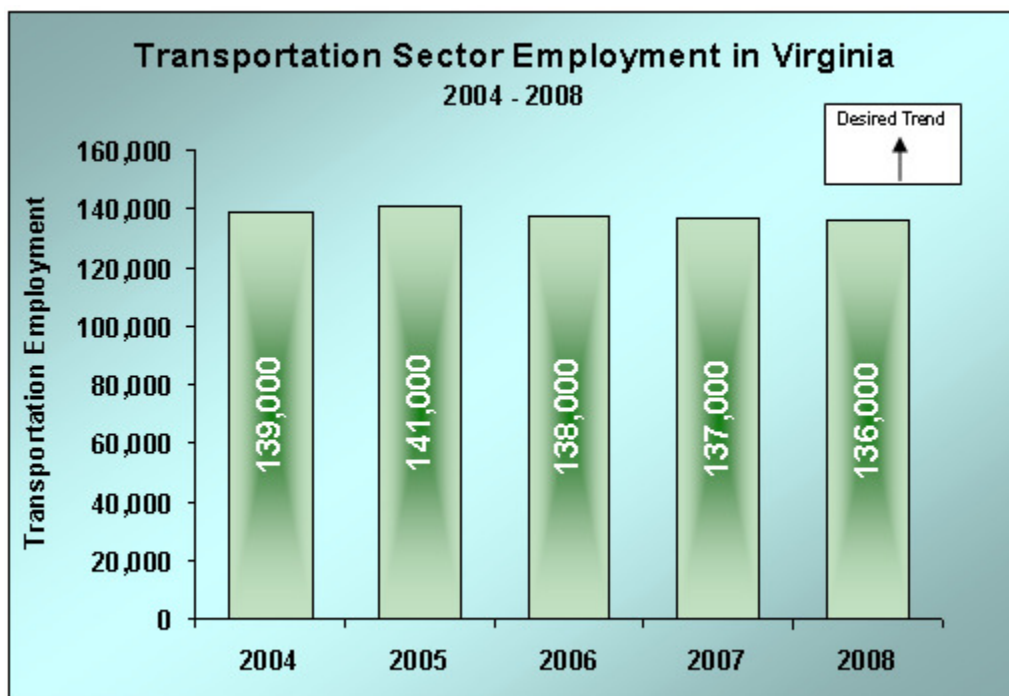
Gross State Product (GSP) is the Bureau of Economic Analysis (BEA) term for the estimation of individual state Gross Domestic Product (GDP). BEA estimates that, in real dollars, Virginia's transportation industry currently adds about \$9.5 billion to the state's annual GSP. transportation's "Real Dollar" contribution to the Virginia GSP rose through 2006 and declined in 2007 and 2008:



Source: Bureau of Economic Analysis, U.S. Department of Commerce

Transportation Sector Employment

Employment is one indicator of the overall contribution and strength of a particular sector of the economy; changes in employment levels signal whether the sector is expanding or contracting. According to Virginia Employment Commission data, employment in the transportation sector (direct employment, excluding warehousing and storage) peaked in 2000 and has been trending downward ever since.

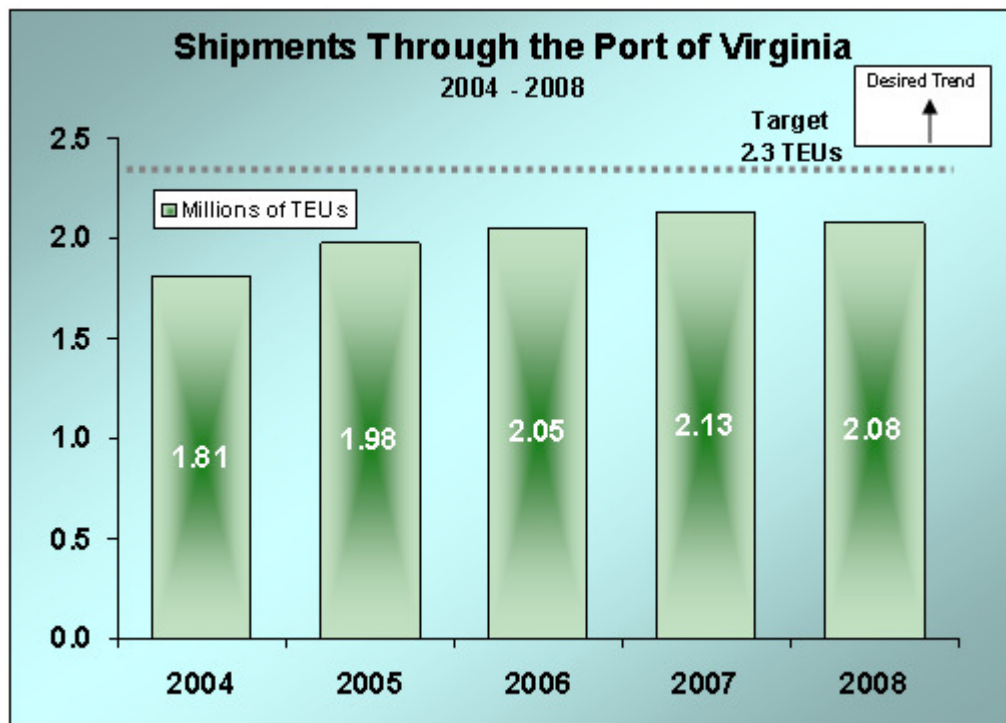


Source: Virginia Employment Commission

Freight Shipped Through the Port of Virginia

The Port of Virginia is the third largest port on the East Coast, trailing New York/New Jersey and Savannah, Georgia, and makes up about 5% of the entire U.S. market share. The average annual growth rate in containerized cargo through the Port has increased 8% per year (inclusive of the new APM Terminal). In 2008, 2.08 million TEUs passed through the Port's four terminals, down from 2.13 million units in 2007, a 2.1% drop. To accommodate projected future growth, the Virginia Port Authority (VPA) plans to renovate and expand existing facilities, including construction of the new Craney Island Marine Terminal. This terminal is scheduled to open its first phase in 2020.

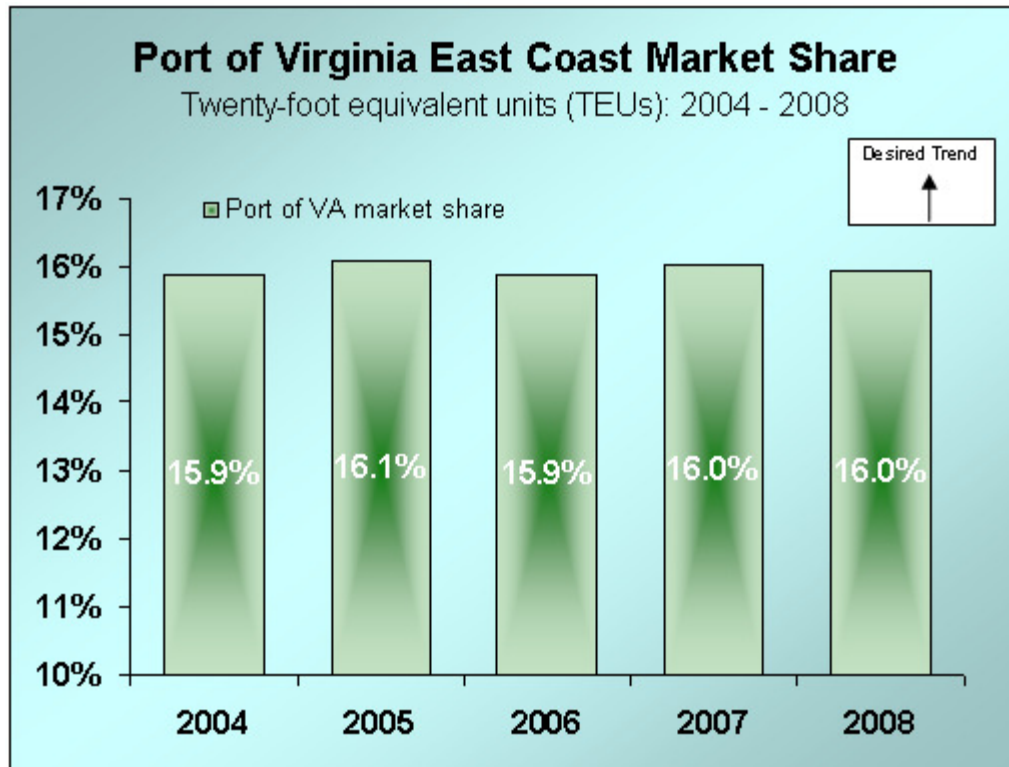
Twenty-foot equivalent units (TEUs) are used as the standard of measurement for shipping containers of various lengths and for describing the capacities of terminals. For instance, one standard forty-foot container equals two TEUs.



Source: Virginia Port Authority

Port of Virginia's Share of East Coast Port Cargo

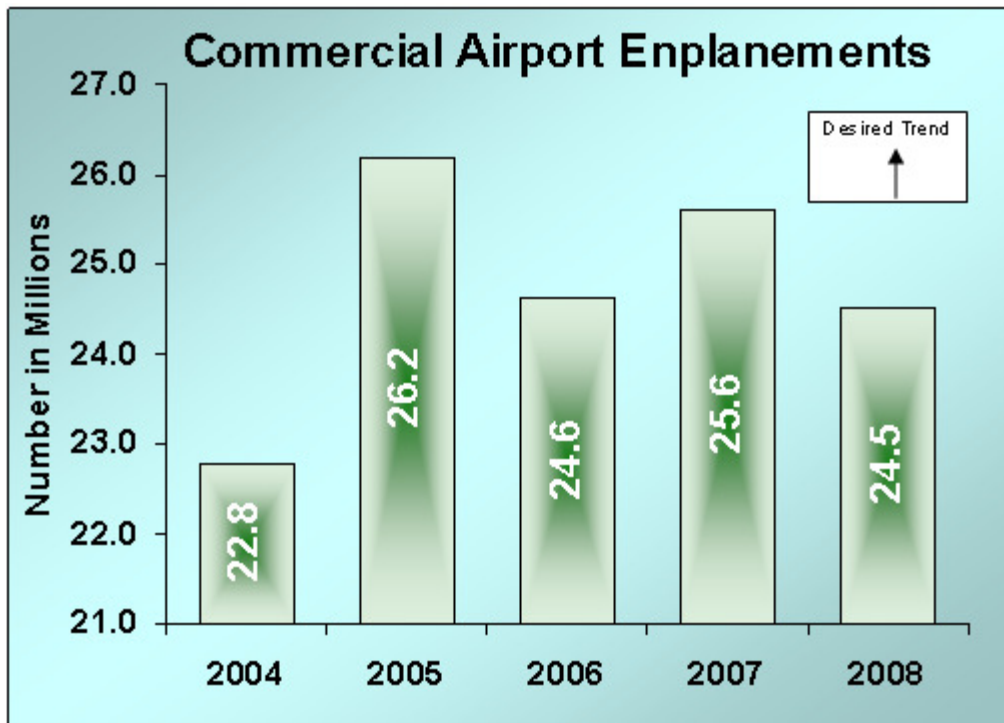
The Port competes against six other container ports on the east coast: the Ports of Baltimore, Charleston, Miami, New York/New Jersey and Savannah. In 2008, the Port of New York/New Jersey was the largest with 5.2 million TEU's and 40% of the East Coast market. The Port of Savannah followed with 2.6 Million TEUs and 20% of the market. Virginia's share has remained stable at roughly 16% of the market over the six years.



Source: Virginia Port Authority, Business Analysis and Strategy

Enplanements at Air Carrier Airports

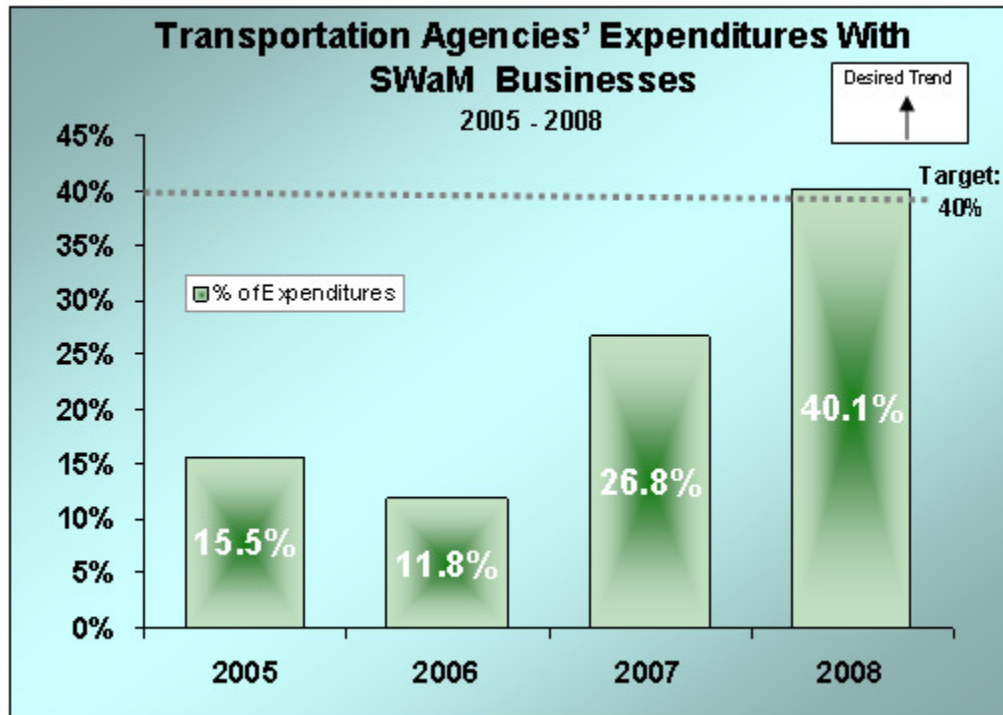
In 2008, according to FAA preliminary data, there were 24.5 million enplanements at the nine air carrier airports in Virginia. This represents a 4% drop from 2007. Virginia's busiest airport, Dulles International, handled 1.5% of the total U.S. enplanements and was the 21st busiest airport in the nation. Nevertheless, all of the Commonwealth's air carrier airports reported decreases in enplanements.



Source: Department of Aviation (preliminary 2008)

Transportation Expenditures on Small, Women and Minority Owned Businesses (SWaM)

Providing businesses with an equal opportunity to contract for a share of the Commonwealth's discretionary expenditures is critical to fairness and to increasing competition. Executive Order 33 (2006) establishes 40% as the goal for statewide discretionary spending with SWaM businesses. For fiscal year 2008, total discretionary expenditures by all state government agencies amounted to \$4.9 billion, of which transportation agencies accounted for \$1.6 billion (33%). Transportation agencies spent \$643.8 million (40.1%) with SWaM businesses, meeting the Governor's target.



Source: Department of Minority Business Enterprise

Performance Summary

Grade = C

Performance Measure	Desired Trend	Performance Trend
Transportation Sector Economic Contribution	↑	↓
Transportation Sector Employment	↑	→
Freight Shipped Through the Port of Virginia	↑	↓
Port of Virginia's Share of East Coast Port Cargo	↑	→
Enplanements at Air Carrier Airports	↑	↓
Expenditures with Small, Women and Minority Owned Businesses (SWaM)	↑	↑